

**FISCAL NOTE**  
**HB 2439**

December 16, 2005

**SUMMARY OF BILL:** Requires expulsion of a student for not less than one calendar year if the student, as part of a group or gang, attacks a student on school property or at a school activity. The Director of Schools may modify this expulsion on a case-by-case basis.

**ESTIMATED FISCAL IMPACT:**

**Decrease State Expenditures – Exceeds \$100,000 FY07-08**

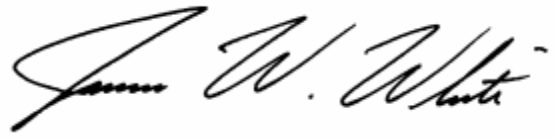
**Decrease Local Govt. Revenues – Exceeds \$100,000 FY07-08**

Assumptions:

- Such expulsion could reduce the amount of revenue generated by an LEA through the BEP if the LEA does not serve these students through an alternative school program.
- The average state funding generated through the BEP statewide in FY05-06 is \$3,155 per student.
- The decrease in state expenditures and local government revenues cannot be easily determined due to the following unknown factors: (1) the number of attacks that will occur; (2) the LEA(s) in which these attacks will occur; and (3) the degree to which the LEA(s) choose to place students in alternative schools (as opposed to using expulsion).
- If such students are placed in an alternative school, such students would be included in the Average Daily Membership (ADM) for BEP funding purposes.
- In the 2004-05 school year there were 112 expulsions, 30,389 suspensions and 1,761 remands for fighting in school.
- If at least 50% of all expulsions are for gang-related fighting, it is estimated that state expenditures and local government revenues could each be reduced by an amount estimated to exceed \$100,000.
- A decrease in ADM in the 2006-07 school year would result in a decrease in state expenditures and a decrease in local government revenues in the 2007-08 school year since BEP funding to LEAs is based on the previous year's ADM.

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director